

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

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Rahul Manchanda,

Plaintiff, COMPLAINT

-against-

Index No.:

Internal Revenue Service ("IRS"),  
T Fahman, Erica Farrell, Susan  
McNamara, Current and Former  
Employees of IRS Jane Does 1-10,

Defendants.

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Plaintiff, Rahul Manchanda, for its Complaint against Defendants  
alleges:

INTRODUCTION

1. Plaintiff brings this action under the Federal Tort Claims Act ("FTCA") per 28 U.S.C. §§ 2671-2680 and for gross violations of IRS Codes per 26 U.S.C. §§ 7433, 7432, 7431, and 7213 with their coordinated misconduct, unauthorized disclosure to countless individuals over nearly 15 years such as Plaintiff's political enemies, business competitors, exes, private investigators, fired/terminated/never retained/suspended CPAs and Accountants, tortious and illegal collections activity, deception, abuse of office, gangstalking, extortion, blackmail, harassment, aggravated harassment, discrimination, threats, intimidation, malice, arbitrary and capriciousness, sloppiness,

dishonesty, trickery, manipulation, lack of professionalism, losing documents, purposefully mailing correspondence to wrong addresses or not at all in order to get them delayed or lost, misconduct, abuse, waste, fraud, personal injury, property damage, and other malicious actions and torts in the administration of Plaintiff's taxes for nearly 15 years.

2. Plaintiff also seeks to obtain permanent injunctive relief, restitution, refunds, actual and punitive damages, civil money penalties, and other relief for Defendants' violations of federal tort and taxation laws and corresponding New York State laws governing the illegal, unlawful, deceptive, dishonest, unfair, fraudulent, and incompetent behavior of the Internal Revenue Service and its employees/agents.

#### **JURISDICTION AND VENUE**

3. This Court has subject-matter jurisdiction over this action because it presents a federal question under 28 U.S.C. § 1331 and the Defendant is a U.S. Government agency per 28 U.S.C. § 1391(e);
4. Venue is proper in this district because Plaintiff and Defendants are located, reside, and/or do business in this district, and/or a substantial part of the events or omissions

giving rise to the claims occurred in this district. 28 U.S.C.  
§ 1391(b);

**PLAINTIFF**

5. Plaintiff, at all times relevant hereto, has a business office located at 30 Wall Street, 8 Floor, New York, NY 10005, and a home address of 1 Columbus Place, New York NY 10019;

**DEFENDANTS**

6. Defendants predominantly reside and work in New York City and State, Washington D.C., and all throughout the USA;

**BACKGROUND**

7. This complaint concerns the illegal, unlawful, deceptive, dishonest, unfair, fraudulent, coercive, manipulative, abusive, unethical, illegal, immoral, deceptive, disingenuous, extortionate, harassing, and incompetent practices of the Internal Revenue Service and its employees/agents;
8. Defendants have consistently, over the past more nearly 15 years, with regards to his duly filed and nearly annual Offers in Compromise ("OIC") to consolidate his aggregated tax liability since approximately 2008 after the economic crash leading to his personal and business bankruptcies from approximately 2011-2014, when his law firm company went from

approximately 20 employees to 1, while going through severe divorce, child custody and child support battles in NY Family Court with his ex-wife during those years, and even though he has duly filed his tax returns every year, have unreasonably denied, rejected, delayed, obstructed, harassed, insulted, humiliated, engaged in deceit and trickery, unauthorized disclosure to countless individuals over nearly 15 years such as Plaintiff's political enemies, business competitors, exes, private investigators, fired/terminated/never retained/suspended CPAs and Accountants, maliciousness, sloth, physically lost his filings sometimes asking Plaintiff or his CPA after losing them, mailed notices to the wrong addresses in order to get them lost or not at all, arbitrarily changing their document demands and requirements, year after year, thus immorally, unethically, illegally and unreasonably increasing his total tax liability with fees and penalties, when all undersigned has always wanted to do was both settle and pay his owed tax liabilities;

9. All the while undersigned Plaintiff has had his credit ruined with near-permanent levies and tax liens by Defendants, and his physical and emotional stress compounded, thus causing personal injuries such as a heart attack and clinical anxiety because Defendants have been cruelly and incompetently torturing

undersigned with this governmental abuse under the color of law and authority;

10. Undersigned has finally had enough and has filed several official complaints with the U.S. Department of the Treasury Civil Rights Division, the U.S. Treasury Inspector General for Tax Administration, and other agencies, and spoke with several IRS Special Agents who all appeared to agree with Plaintiff at how badly he has been treated by Defendants for nearly 15 years;
11. Undersigned has received several confirmations that his complaints are now duly being investigated, but still the IRS has not even sent undersigned Plaintiff a billing invoice for his total tax liability in years, since they last denied his last OIC, thus further compounding undersigned Plaintiff and his family's physical and emotional stress and total tax liability;
12. Recently Plaintiff sued the IRS along with the NYS and NYC Department of Taxation and Finance in New York Supreme Court Docket No 150320/2019, and won and settled with NYS and NYC because his evidence and case was so strong, but the IRS dishonestly escaped and purposefully evaded liability purely on jurisdictional grounds, as New York Supreme Court Judge Kalish

indicated that the IRS must be sued in federal court, even though they were duly served at great cost and expense to Plaintiff countless times over periods of months, hence the federal lawsuit herein.

13. As was stated above undersigned has been irreparably damaged by the sloth, dishonesty, incompetence, obstruction, harassment, delays, abuse, targeting, discrimination, and poor behavior of defendants as recently as this year 2020.

**AS AND FOR A FIRST CAUSE OF ACTION AGAINST DEFENDANT**

14. Plaintiff repeats and realleges each and every allegation contained in paragraphs 1 through 13 of this Complaint.
15. Therefore Plaintiff herein sues for actual and punitive damages of \$100,000,000 for unauthorized collection because if an IRS employee or taxation officer recklessly, intentionally, or negligently disregards the law or IRS regulations when taking a collection action, one can sue for actual economic damages that result, as well as costs for the action (Code Sec. 7433), wherein actual potential recovery is capped at \$100,000 for damages for negligence and \$1 million for damages for reckless or intentional misconduct, plus punitive damages;

**AS AND FOR A SECOND CAUSE OF ACTION AGAINST DEFENDANT**

16. Plaintiff repeats and realleges each and every allegation contained in paragraphs 1 through 13 of this Complaint.

17. Plaintiff also sues for actual and punitive damages of \$100,000,000 for intentional and negligent infliction of emotional and physical distress for the severe abuse that he has endured for more than 10 years as described herein, backed up by medical evidence including but not limited to a heart attack and clinical anxiety;

**AS AND FOR A THIRD CAUSE OF ACTION AGAINST DEFENDANT**

18. Plaintiff repeats and realleges each and every allegation contained in paragraphs 1 through 13 of this Complaint.

19. To that end Plaintiff also sues the Defendants hereon for \$100,000,000 in actual and punitive damages for failure to release a tax lien or levy unreasonably, and as in the case of unauthorized collection activities, similar action can be taken if the IRS improperly fails to release a lien on your property (Code Sec. 7432), herein suing for actual economic damages, plus the costs of the action, and the same caps applicable to unauthorized collection activities apply here;

**AS AND FOR A FOURTH CAUSE OF ACTION AGAINST DEFENDANT**

20. Plaintiff repeats and realleges each and every allegation contained in paragraphs 1 through 13 of this Complaint;
21. Plaintiff also herein sues for actual and punitive damages of \$100,000,000 for the unauthorized disclosure of tax information, wherein IRS employees are barred from unauthorized disclosures of taxpayer information, and if they do so negligently or knowingly, a taxpayer can bring an action for civil damages (Code Sec. 7431), wherein actual damages are limited to the greater of \$1,000 for each act of unauthorized disclosure, or the sum of actual damages sustained as a result of the disclosure and punitive damages in cases of willful or grossly negligent disclosure - the recovery can also include costs of the legal action and punitive damages, furthermore punishable under 26 U.S. Code § 7213.

**AS AND FOR A FIFTH CAUSE OF ACTION AGAINST DEFENDANT**

22. Plaintiff repeats and realleges each and every allegation contained in paragraphs 1 through 13 of this Complaint;
23. In the recent past the IRS have willfully flouted the statutory Bankruptcy Stay Protections afforded to undersigned Plaintiff, making it necessary to file Motions for Contempt against these entities for not respecting the Automatic Stays in effect during those times, and this herein described misconduct is



another mere extension of this type of political targeting under IRC 7433, abuse, and harassment characteristic of the Assistant U.S. Attorneys and Assistant Attorneys General previously assigned to handling those contempt motions and cases, so to that end Plaintiff sues for \$100,000,000 in actual and punitive damages as a result;

**AS AND FOR A SIXTH CAUSE OF ACTION AGAINST DEFENDANT**

24. Plaintiff repeats and realleges each and every allegation contained in paragraphs 1 through 13 of this Complaint;

25. To that end Plaintiff hereby also sues Defendants for serious and severe violations of the Federal Tort Claims Act ("FTCA") for property damages and/or personal injury against the United States per 28 U.S.C. §§ 2671-2680, in actual and punitive damages of \$100,000,000;

**WHEREFORE,** Plaintiff requests:

(1) a permanent injunction against Defendants, their aides and assigns, from further abusing, harassing, obstructing, torturing, targeting, losing documents and files, leaking, unauthorized disclosure, illegal collecting practices, discriminating against, delaying, rejecting, using, or aiding another to leak or use, such illegally obtained information, and

(2) \$600,000,000 in total actual and punitive damages stemming from Defendants gross violations of IRS 26 U.S. Codes §§ 7433, 7432, 7431, 7213 and the FTCA with their coordinated behavior, gangstalking, extortion, blackmail, harassment, aggravated harassment, discrimination, threats, intimidation, malice, arbitrary and capriciousness, sloppiness, dishonesty, trickery, manipulation, lack of professionalism, misconduct, abuse, waste, fraud, and other actions and torts;

(3) such other and further relief as the Court deems just and proper, including applicable interest and the costs and disbursements of this action.



**Dated:** New York, NY  
December 19, 2020

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